

In the *Golden Site Extended Gold-mining Company's mine*, at Wilson River (area, 144 acres 1 rood 18 perches), cross-cuts have been driven to the eastward 105 ft. and 52 ft., and a tunnel driven on the line of reef. It was decided subsequently to put down a shaft 12 ft. 6 in. by 4 ft., and the required machinery will be erected. A well-defined reef has been traced a considerable distance on the company's property, from a trial crushing a sample of which gave favourable returns.

On the north side the Crown, Lizard, and St. George Claims are under protection.

On the coast-line claims have been taken up on which strong outcrops of quartz have been discovered, but little or no development work has yet been done.

At Isthmus Sound the stone taken from what is known as Bradshaw's reef is highly mineralised, containing copper-pyrites, mispickel, zinc-blende, and galena, with a varying proportion of gold and silver. It is proposed to ship a parcel of ore Home for treatment. Several other claims have been taken up adjoining the Prospectors', but as yet little work has been done on them. It is worthy of note that Bradshaw's reef occurs in gneissic rock, all the other reefs prospected being in similar formation to that of the Morning Star and Golden Site—viz., Silurian slates and sandstones.

Only a few men are employed in alluvial mining, centred chiefly at Coal Island and at Gulche's Head, at the Neck. It is not believed that their earnings exceed a bare living.

Summary of Returns from Quartz-mines from the 1st April, 1896, to the 31st March, 1897.

Owners.	Stone. crushed.	Gold obtained.		Remarks.
		Weight.	Value.	
	Tons.	Oz. dwt. gr.	£ s. d.	
Glenrock Consolidated (Limited), Macetown...	1,038	398 2 1	1,600 9 8	Gross.
Westralia and New Zealand Explorers (Limited), Macetown	1,245	379 5 17	1,530 4 5	"
Achilles Goldfields (Limited), Bullendale ...	6,186	4,187 0 0	Not stated.	
K. T. Symes, Bald Hill Flat ...	200	221 0 0	3 19 0	Per ounce.
Barewood Quartz-mining Company, Dunedin	1,192	715 2 0	Not stated.	
P. A. Lyders, Barewood ...	146	43 10 0	"	
Phelan Brothers, Macrae's ...	232	219 12 8	852 13 7	Gross.
W. and G. Donaldson, Macrae's ...	275	55 12 0	Not stated.	
H. Symes, Alexandra South ...	Nil.	
Cromwell Goldfields (Limited), Bendigo ...	650	262 0 0	Not stated.	
Lawrence Brothers, Bannockburn ...	876	346 0 0	3 17 0	Per ounce.
Morning Star Gold-mining Company, Pre- servation Inlet	3,410	3,420 14 0	4 2 0	"
	15,450	10,247 18 2	40,000 0 0	

Tailings treated: Glenrock Consolidated Company, Macetown, 19 tons; gold obtained, value £69 14s.

The foregoing summary of returns from the different mines shows that 15,450 tons of quartz was crushed, yielding 10,247 oz. 18 dwt., having a value of about £40,000. The Achilles Company and the Morning Star Company have turned out quartz of a highly profitable character; and the mines at Macetown also give results showing that with increased output of quartz and the application of labour-saving machinery the ore may be also profitably dealt with. The Anglo-Continental Syndicate is devoting attention to the Barewood district, and no doubt have in view properties in other districts that may afford sufficient inducement for the outlay of capital for development purposes. It is also believed that other mining syndicates contemplate commencing operations in the Nenthorn, Preservation Inlet, and other districts. The prospects of quartz-mining throughout Otago are decidedly improving.

ALLUVIAL MINING.

NELSON DISTRICT.

Collingwood.

The Parapara Hydraulic Sluicing Company hold an area of 415 acres, chiefly freehold, which is worked by hydraulic sluicing. Fifteen heads of water, with a pressure of 125 lb. to the square inch, have been at work on the three faces of 110 ft., 80 ft., and 43 ft. respectively. During the year 200,000 cubic yards of alternate layers of clay and gravel have been treated, but the results have not been made public. Elevators will shortly be erected. Nine men are employed.

The Collingwood Goldfields (Limited), an English company, hold a 200-acre lease at the Quartz Ranges which it is proposed to work by hydraulic sluicing. Mr. C. Y. Fell, the attorney for the company, gives the following report: "This property, and also a lease at Golden Gully, belong to an English company called the Collingwood Goldfields (Limited). As soon as the company was formed I appointed Mr. F. A. Holdsworth, C.E., a man of large experience in America, with a staff